

Message Text

LIMITED OFFICIAL USE

PAGE 01 VIENTI 08979 111142Z

15

ACTION EA-10

INFO OCT-01 ISO-00 EB-07 AID-05 CIAE-00 COME-00 FRB-01

INR-05 NSAE-00 RSC-01 TRSE-00 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 IGA-01 AGR-05 SWF-01

NSC-05 SS-15 STR-01 CEA-01 L-02 H-01 DODE-00 PA-01

USIA-06 PRS-01 FEA-01 /085 W

----- 023592

R 111051Z DEC 74

FM AMEMBASSY VIENTIANE

TO SECSTATE WASHDC PRIORITY 1778

INFO AMEMBASSY BANGKOK

LIMITED OFFICIAL USE VIENTIANE 8979

E.O. 11652: N/A

TAGS: ECON, LA

SUBJECT: WEEKLY ECONOMIC SITUATION REPORT (DEC 4-10)

1. TOTAL FOREIGN EXCHANGE SOLD THROUGH BANKS DURING WEEK ENDING DEC 6 WAS \$644,000, COMPARED WITH PREVIOUS WEEKLY AVERAGE SINCE INITIATION OF FX CONTROLS OF \$500,000. OF FX SOLD, 49 PERCENT WAS FOR PETROLEUM PRODUCTS AND 15 PERCENT FOR MACHINERY FOR LOCAL CEMENT FACTORY.

2. THE FREE MARKET EXCHANGE RATE ROSE MARGINALLY DURING PAST WEEK. ON DEC 10 MERCHANTS AND OTHER FX DEALERS WERE BUYING DOLLARS FOR APPROXIMATELY 1,240 KIP PER DOLLAR AND SELLING FOR 1,250 KIP PER DOLLAR, UP FROM 1,230 BUYING AND 1,250 KIP SELLING DEC 4.

3. USAID COST-OF-LIVING INDEX FOR VIENTIANE DECLINED MODERATELY DURING PAST WEEK, REFLECTING PRICE DECREASES IN PORK, EGGS, FISH, AND CERTAIN VEGETABLES, OFFSET TO SOME EXTENT BY INCREASE IN COST-OF-LIVING INDEX FOR RICE. INCREASE IN RICE INDEX DOES

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 VIENTI 08979 111142Z

NOT REFLECT INCREASED RICE PRICES, BUT FACT THAT AGRICULTURAL

DEVELOPMENT ORGANIZATION/NATIONAL RICE OFFICE RICE AS PERCENTAGE OF TOTAL GLUTINOUS RICE SOLD IN VIENTIANE HAS DECLINED (SEE VIENTIANE 8836, PARA 4), THUS REQUIRING REDUCTION IN WEIGHT GIVEN TO LOWER COST ADO/NRO RICE IN USAID INDEX. USAID INDEX ON DEC 11 SHOWS FOLLOWING CHANGES:

PERCENTAGE INCREASE SINCE
DEC 2 JULY 17 END 73
GENERAL INDEX (-2.0) 24.2 66.0
RICE INDEX 0.9 15.6 60.1
NON-RICE INDEX (-2.7) 26.4 67.5

4. RECENT DEVELOPMENTS IN LAO EFFORTS TO OBTAIN ADDITIONAL FOREIGN ASSISTANCE INCLUDE:

A. A TECHNICAL GROUP HEADED BY NORTH VIETNAMESE VICE-MINISTER OF TRANSPORTATION AND TELECOMMUNICATIONS RECENTLY ARRIVED IN VIENTIANE FOR APPROXIMATELY 10 DAYS IN ORDER TO WORK OUT DETAILS OF AID FROM NORTH VIETNAM TO LAOS (VIENTIANE 7741). TOPICS TO BE DISCUSSED INCLUDE ROUTES TO BE TAKEN BY TRUCKS DELIVERING COMMODITIES (ROUTE 8 IS NOW BEING CONSIDERED AS ALTERNATIVE TO ROUTE 7) AND DETAILS OF COMMODITY COMPOSITION AND TIMING OF COMMODITY ARRIVALS.
B. THE ECONOMIC AID-SEEKING MISSION HEADED BY MINISTER OF DEFENSE SISOUK NO CHAMPASSAK ARRIVED IN SEOUL ON DEC 8 FOR 5 DAYS OF DISCUSSIONS WITH SOUTH KOREAN GOVERNMENT OFFICIALS.
C. THE ECONOMIC AID-SEEKING MISSION HEADED BY MINISTER OF NATIONAL ECONOMY AND PLAN SOTH PHETRASY ARRIVED IN EAST BERLIN DEC 9 FOR DISCUSSIONS WITH OFFICIALS OF THE EAST GERMAN GOVERNMENT.

5. ROYAL AIR LAO'S INAUGURAL FLIGHT TO HANOI (VIENTIANE 8306) TOOK PLACE DEC 4 (DELAYED ONE DAY FROM SCHEDULED TWICE WEEKLY TUESDAY AND FRIDAY FLIGHTS). PLANE UTILIZED WAS A DC-4 HANOI AIRPORT NOT EQUIPPED TO HANDLE RAL'S CARAVELLE. THE RETURN FLIGHT TO VIENTIANE OCCURRED DEC 5, CARRYING NORTH VIETNAMESE VICE-MINISTER OF TRANSPORTATION AND TELECOMMUNICATIONS (SEE PARA 4 ABOVE).

6. DECONTROL FOLLOWING 12/11/75.

CHAPMAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONDITIONS, WEEKLY REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 11 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974VIENTI08979
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740359-0586
From: VIENTIANE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741242/aaaabjnq.tel
Line Count: 99
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 13 MAY 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <13 MAY 2002 by cunninfx>; APPROVED <26 MAR 2003 by CunninFX>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: WEEKLY ECONOMIC SITUATION REPORT (DEC 4-10)
TAGS: ECON, LA
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005